

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

ADJUSTMENT OF RATES OF BEREA)
COLLEGE ELECTRIC UTILITY, A) CASE NO. 8629
DEPARTMENT OF BEREA COLLEGE)

O R D E R

On August 20, 1982, Berea College Electric Utility ("Berea Electric") filed its application to flow through any increase in rates granted to its wholesale power supplier Kentucky Utilities Company ("KU") by the Federal Energy Regulatory Commission ("FERC"). In an Order dated September 28, 1982, this Commission approved rates to be effective for service on and after September 23, 1982, for Berea Electric that would increase its revenue by approximately \$345,708, which was approximately the amount of revenue increase FERC granted KU. On April 8, 1983, KU filed with FERC the settlement agreement between KU and the municipal electric utilities KU serves including Berea Electric. On April 28, 1983, the municipal utilities filed comments with FERC accepting the settlement rates. On July 8, 1983, FERC approved the settlement agreement.

On June 29, 1983, Berea Electric filed with this Commission its plan to refund excess revenues collected since September 23, 1982, and its proposed decrease in rates to reflect the settlement agreement. As a part of the refund plan, Berea Electric proposed

to deduct its legal fees from the amount to be refunded to its customers.

The Commission issued its Order on July 26, 1983, approving the proposed decrease in rates to reflect the settlement agreement, but rejected Berea Electric's refund plan because of the provision to deduct legal fees.

On August 16, 1983, Berea Electric submitted a revised refund plan.

The Commission, having considered the evidence of record and being advised, is of the opinion and finds that:

1. The amount Berea Electric is to refund to its customers is \$51,733.

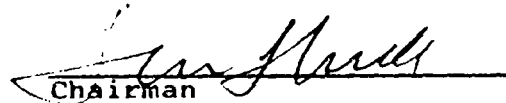
2. Berea Electric's proposed refund plan includes a refund factor to be used for a period of 4 months, beginning with October 1983 billing and ending with January 1984 billing.

IT IS THEREFORE ORDERED that Berea Electric shall institute the proposed refund plan with the billings on October 1, 1983, and that the refunds shall be completed with the January, 1984, billings.

IT IS FURTHER ORDERED that Berea Electric shall file with this Commission within 30 days after completion of refund, the amount refunded for each month and the total refunded.

Done at Frankfort, Kentucky, this 19th day of September, 1983.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary